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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Julia Paxton, on behalf of herself and the class members described below,	)	Case No. 12-cv-6499
Plaintiff,	)	Judge: Thomas M. Durkin
v.	)	Magistrate Judge Mary M. Rowland
National Credit Adjusters, LLC,	)	
Defendant.	)	

PRELIMINARY APPROVAL ORDER

The Court, having considered the parties Joint Motion for Preliminary Approval (Dkt #178), hereby grants preliminary approval to the Class Settlement Agreement ("Agreement")(Dkt #178-1) between Julia Paxton ("Plaintiff"), on behalf of herself and the class members defined below ("Settlement Classes"), and Defendant, National Credit Adjusters, LLC ("NCA" or "Defendant") as follows:

1. The Court preliminarily finds that this case meets the requirements for class certification under Fed.R.Civ.P.23. The Court further preliminarily finds that the Agreement provides for a settlement that could ultimately be given final approval by this Court. It appears to the Court that the terms of the Agreement are reasonable, fair and adequate and that the proposed settlement was reached as a result of intensive, non-collusive, arms-length negotiations and is hereby approved by the Court, subject to the final fairness hearing described below.

2. For purposes of effectuating this settlement, the Court preliminarily certifies the following Settlement Classes:

> Class A (a) all individuals with Illinois addresses (b) from whom Defendant (by itself or through an outside agency) sought to collect a loan made at more than 9% interest (c) made by an entity which did not possess a bank charter and was not licensed by the Illinois Department of Financial and Professional Regulation (d)

where any communication occurred on or after August 16, 2011. There are approximately 4770 persons in Class A.

Class B (a) all individuals with Illinois addresses (b) from whom Defendant (by itself or through an outside agency) sought to collect a loan made at more than 9% interest (c) made by an entity which did not possess a bank charter and was not licensed by the Illinois Department of Financial and Professional Regulation (d) where NCA collected more than the principal balance of the loan plus 9% interest (e) where any communication occurred on or after August 16, 2007. There are approximately 4861 persons in Class B.

There are 2384 people in both Class A and Class B.

3. For purposes of effectuating this settlement, the Court hereby appoints Plaintiff Julia Paxton as the class representative for the Settlement Classes and appoints Edelman, Combs, Latturner & Goodwin, LLC as Class Counsel.

4. The Court approves the parties' proposed Class Notice and directs it to be mailed to the last known address of the class members as shown on NCA's records on or before April 11, 2016. NCA will have the notice sent by any form of U.S. Mail providing forwarding addresses. Defendant is not required to skip trace any notices that are returned as undeliverable to class members who are solely members of Class A. However Defendant will skip trace notices and checks returned for members of Class B. The cost of skip tracing the addresses of members of Class B whose notice is returned undeliverable shall be deducted from the Class B Recovery. The cost of skip tracing the addresses of members of Class B whose check is returned undeliverable shall be deducted from the respective Class B member's share of the Percentage of Class B Recovery. NCA is directed to mail notices that are returned as undeliverable for members of Class B to the new address NCA obtains through skip tracing on or before May 9, 2016.

5. The Court finds that mailing of class notice is the only notice required and that such notice satisfies the requirements of due process and Federal Rule of Civil Procedure 23(c)(2)(B).

6. Class members whose notices were mailed on or before April 11, 2016 have until May 27, 2016, or the first business day after the 45th day after the initial mailing of the class notice on April 11, 2016, to complete and postmark a claim form, request to be excluded from the proposed settlement or to object to the proposed settlement. Class members of Class B whose notices were returned undeliverable, NCA skip traced and whose notices were mailed on or before May 9, 2016, have until June 24, 2016, or the first business day after the 45th day after the mailing of the class notice on May 9, 2016, to complete and postmark a claim form, request to be excluded from the proposed settlement or to object to the proposed settlement.

7. A request for exclusion must be in writing and state information, including the name, address and phone number of the person(s) or entity seeking exclusion. For those class members whose notice was mailed on or before April 11, 2016, the request must be mailed to Class Counsel at the address provided in the Class Notice and received by May 27, 2016. For those class members whose notice was mailed on or before May 9, 2016, the request must be mailed to Class Counsel at the address provided in the Class Notice and received by June 24, 2016. Class Counsel shall forward copies of all requests for exclusion to Counsel for Defendant no later than within five (5) days of receipt.

8. Class Counsel shall file a petition for approval of Class Counsel's reasonable attorney fees and expenses, not to exceed $180,000.00, by June 8, 2016 which the Court shall rule on at the final approval hearing.

9. A final hearing on the fairness and reasonableness of the Agreement and whether final approval shall be given to it and the request by Class Counsel for attorney's fees and expenses will be held on July 7, 2016 at 9:00 a.m.

10. The Court finds that Defendant filed proof of compliance with the notice requirements of the Class Action Fairness Act of 2005, 28 U.S.C. §1715(b) on March 11, 2016.

11. Pursuant to the Stipulation filed on March 11, 2016, (Dkt #181) Counts IV-VI of the Second Amended Complaint are dismissed without prejudice.

12. Defendant is to submit the Declaration of NCA's Chief Financial Officer for in-camera inspection.

ENTERED: [signature]

Thomas M. Durkin

United States District Judge

DATE: 3/16/16